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U.S. Rep. Mark Kirk, R-10th, wants to restart a Depression era federal program that he believes will help stave off home mortgage foreclosings.

In 1934, Congress established the Home Owners' Loan Corporation at a time when nearly 50 percent of all home mortgages had defaulted. Kirk said that for the next three years, the corporation saved mortgages by purchasing them from banks at a discount, followed by refinancing financial terms to homeowners.

He outlined the program March 10 at Chambers of Biz 6, an association of business people and community leaders in Palatine, Rolling Meadows, Arlington Heights, Buffalo Grove, Des Plaines, Hoffman Estates, Mount Prospect and Wheeling.

"The Home Owners' Loan Corporation would manage these homes in trouble and could allow millions of Americans to keep their homes," Kirk said at the Meadows Club in Rolling Meadows.

"We should find the most successful precedent in history and repeat it," Kirk said, referring to the corporation.

In 1951 when HOLC closed, it returned a \$14 million profit to the taxpayer, according to press release issued by Kirk.

He said when first formed, HOLC relieved homeowners from high interest payments, imposed less cost on the federal treasury and protected investment banks on home loans.

In the bill, Kirk proposed the loan corporation have \$25 billion in funds for emergency home mortgage relief.

Under Kirk's legislation, low-income individuals could receive a credit up to \$2,000 annually and low-income families up to \$4,000 a year.